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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

BOB STUMP- Chairman  
GARY PIERCE  
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BOB BURNS  
SUSAN BITTER SMITH

Arizona Corporation Commission

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AZ CORP COMMISSION  
DOCKET CONTROL

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In the matter of:

DOCKET NO. S-20876A-13-0014

JAMES F. LIEBES, CRD #2332174, a single  
man and

LANESBOROUGH FINANCIAL GROUP,  
LLC, an Arizona limited liability company,

Respondents.

**FIFTH**  
**PROCEDURAL ORDER**  
**(Vacates Hearing)**

**BY THE COMMISSION:**

On January 28, 2013, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against James F. Liebes and Lanesbrough Financial Group, LLC, an Arizona limited liability company ("LFG") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") as an unregistered dealer or salesman in connection with the offer and sale of securities.

The Respondents were duly served with copies of the Notice.

On February 11, 2013, Respondents James F. Liebes and LFG filed a request for hearing in this matter.

On February 28, 2013, by Procedural Order, a pre-hearing conference was scheduled on March 14, 2013.

On March 14, 2013, the parties appeared through counsel at the pre-hearing conference, and requested that a status conference be scheduled in approximately 30 days while the issues raised by the Notice are discussed.

On March 18, 2013, by Procedural Order, a status conference was scheduled on April 23, 2013.

1 On April 23, 2013, the Division and Respondents appeared through counsel, and while the  
2 parties are attempting to resolve the issues raised in the Notice, the Division requested that a hearing  
3 be scheduled.

4 On April 26, 2013, by Procedural Order, a hearing was scheduled on December 2, 2013.

5 On May 16, 2013, a Motion to Withdraw was filed by counsel for Respondents James F.  
6 Liebes and LFG stating that his clients had failed to fulfill their financial obligations which were  
7 owed for legal services despite warnings that counsel would withdraw "if his bills were not made  
8 current." In support of his Motion to Withdraw, counsel cited Rule 1.16 of the Arizona Rules of  
9 Professional Conduct where the rule is set forth. Counsel served a copy of his Motion to Withdraw  
10 upon his clients and certified that his clients had been notified in writing of the status of the case  
11 including pending matters related to the proceeding.

12 On June 6, 2013, by Procedural Order, the Motion to Withdraw was granted and the hearing  
13 was scheduled to commence on December 2, 2013, as previously ordered.

14 On November 15, 2013, the Division filed a pleading which was captioned as "Motion to  
15 Consolidate Hearings and Recommendation to Continue December 2<sup>nd</sup> Hearing". The Division's  
16 pleading stated that while the proceeding was pending, the Division had found evidence that  
17 Respondents had allegedly "committed additional ongoing violations" of the Act. As a result, the  
18 Division, on November 5, 2013, filed a Temporary Order to Cease and Desist in Docket No. S-  
19 20876A-13-0376 ("TC&D"). The Division stated that Respondents were not served with the TC&D  
20 until November 14, 2013, and pursuant to A.R.S. § 44-1972 and A.A.C. R14-4-307, Respondents  
21 have 20 days to request a hearing and within 30 days of service, file their Answers. The Division  
22 stated further that the proceedings are interrelated and should be consolidated; however, Respondents  
23 have not yet responded to the TC&D and it is unknown if Respondents will either request a hearing  
24 or file an Answer in that proceeding.

25 Under the circumstances, the hearing in this proceeding should be vacated, but it is premature  
26 to consolidate the two proceedings at this time until Respondents either default or request a hearing  
27 and file an Answer in the TC&D proceeding.

28 . . .

1 IT IS THEREFORE ORDERED that the hearing scheduled to commence on December 2,  
2 2013, is hereby vacated.

3 IT IS FURTHER ORDERED that the Motion to Consolidate shall be held in abeyance.


4 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
5 Communications) is in effect and shall remain in effect until the Commission's Decision in this  
6 matter is final and non-appealable.

7 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
8 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission  
9 *pro hac vice*.

10 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance  
11 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
12 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
13 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
14 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
15 Administrative Law Judge or the Commission.

16 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,  
17 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by  
18 ruling at hearing.

19 DATED this 20th day of November, 2013.

20  
21   
22 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

23 Copies of the foregoing mailed/delivered  
24 this 20th day of November, 2013 to:

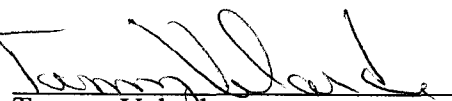
25 James F. Liebes  
26 6301 E. Vista Drive  
Paradise Valley, AZ 85253

Lanesborough Financial Group, LLC  
7373 E. Doubletree Ranch Road, Suite 125  
Scottsdale, AZ 85258

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2 Securities Division  
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By:

  
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